

**Informal Meeting Minutes
Monday, September 15, 2008
Meeting Scheduled Start Time: 10:00 AM**

**BOARD OF SUPERVISORS
Maricopa County, Arizona
(and the Boards of Directors of the Flood Control District,
Library District, Stadium District, Improvement Districts,
and/or Board of Deposit)**



"The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services to its residents so they can enjoy living in healthy and safe communities"

Board Members

Andrew Kunasek, District 3, Chairman
Max Wilson, District 4, Vice Chairman
Fulton Brock, District 1
Don Stapley, District 2
Mary Rose Wilcox, District 5

County Manager

David Smith

Clerk of the Board

Fran McCarroll

Meeting Location

Supervisors' Auditorium
205 W. Jefferson
Phoenix, AZ 85003

BOARD OF SUPERVISORS

The Board of Supervisors of Maricopa County Arizona convened in Informal Session at 10:00 AM on Monday, September 15, 2008, in the Supervisors Auditorium with the following members present: Andrew Kunasek, Chairman, District 3; Fulton Brock, Supervisor District 1; Max Wilson, Supervisor, District 4, and Mary Rose Wilcox, Supervisor, District 5. Absent: Don Stapley, Supervisor, District 2. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager, and Victoria Mangiapane, Deputy County Attorney.

PRESENTATION

Management and Budget

1. ECONOMIC UPDATE AND COUNTY FISCAL IMPACT

Economic update on the U.S., Arizona and Local economy and impact on Maricopa County's fiscal status. The presentation will include the current economic trends and future outlook, with reference to impact on County revenues. (C-49-09-022-P-00)

Sandi Wilson, Deputy County Manager

Christopher Bradley, Deputy Budget Director

Elliott D. Pollack, Economist, Elliott D. Pollack & Co.

The Chairman recognized Elliot Pollack, Sandi Wilson and Chris Bradley. Mr. Pollack presented an overview of the current economy, both nationally and locally. He said the outlook for 2009 is not very positive. Nationally, the average taxpayer has too much debt and little or no savings, jobs and hours worked are declining and prices on basics such as food and fuel have been rising, resulting in a decrease in consumer spending.

Mr. Pollack said Business has been strong due to a weak dollar and strong exports, however weakness in the rest of the world will hurt exports in the future. Mr. Pollack surmised the result will be that business spending will not be as strong as it has been and the trade deficit will improve more slowly than in the past.

Regarding the housing market, Mr. Pollack said that supply and demand imbalances will

continue, foreclosures will continue at high rates and there will be no "quick fix" for credit markets.

Mr. Pollack went on to review a number of statistics and charts related to the economy and housing market. Mr. Pollack projected that the U.S. economy would be very weak for the remainder of 2008 and not so great in 2009. For Maricopa County, Mr. Pollack maintained that while the bottom of the housing market may occur in 2009, a full recovery probably will take multiple years. However, housing is again becoming affordable and while the short-term forecast is ugly, the long-term economic outlook remains favorable.

Supervisor Wilson asked whether realtors are taking the position that it is the time to buy and that Phoenix is still a good place to retire. Mr. Pollack commented that as long as people cannot sell their homes elsewhere, population inflows will slow, as will real estate purchases. Supervisor Brock asked if we can expect foreign investing. Mr. Pollack said to expect investment banking but usually only in major cities on the coasts.

Supervisor Wilcox asked whether immigration sanctions have had an effect on the local economy and Mr. Pollack replied that it was too early to tell. He said that the effect of immigration sanctions probably won't be realized until the next boom in the economy.

Mr. Smith asked whether the problems with the economy will cause an increase in the demand for county government services and Mr. Pollack said that it will.

Sandi Wilson updated the Board on revenue forecasts for the County through FY 2009. She added that under the circumstances, discussions regarding how to downsize county government and lower service levels will need to take place in order to maintain a structurally balanced budget. Supervisor Wilson commented that the Board may need to have conversations regarding the Court Tower construction and the court system.

~ Supervisor Wilcox left the meeting ~

MEETING RECESSED

Chairman Kunasek recessed the Board of Supervisors and convened as the Board of Directors of the Library District.

MEETING RECONVENED

Chairman Kunasek reconvened the Board of Supervisors.

2. EXECUTIVE SESSION

Vote to convene in Executive Session to consider items on the Executive Agenda dated Monday, September 15, 2008, pursuant to statutory authority listed for each item.

Motion to approve by: Supervisor Brock, Seconded by: Supervisor Wilson
Ayes: Kunasek, Brock, Wilson
Absent: Stapley, Wilcox

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Andrew Kunasek, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board